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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/749,614	12/30/2003	Brian Alan Grove	2043.033US2	9853

49845 7590 10/15/2010

SCHWEGMAN, LUNDBERG & WOESSNER/EBAY
P.O. BOX 2938
MINNEAPOLIS, MN 55402

EXAMINER	
FADOK, MARK A	

ART UNIT	PAPER NUMBER
3625	

NOTIFICATION DATE	DELIVERY MODE
10/15/2010	ELECTRONIC

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

USPTO@SLWIP.COM
request@slwip.com

Office Action Summary	Application No.	Applicant(s)	
	10/749,614	GROVE ET AL.	
	Examiner	Art Unit	
	MARK FADOK	3625	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE *3* MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on *31 March 2010*.

2a)☐ This action is **FINAL**. 2b)☒ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1-20,26-31,34-53 and 59-78* is/are pending in the application.

4a) Of the above claim(s) *3-7,9-20,28,30,31,36-40,42-53,61-65 and 67-78* is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *1,2,8,26,27,29,34,35,41,59,60 and 66* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a)☐ All b)☐ Some * c)☐ None of:

1.☐ Certified copies of the priority documents have been received.

2.☐ Certified copies of the priority documents have been received in Application No. _____.

3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☐ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☒ Information Disclosure Statement(s) (PTO/SB/08) Paper No(s)/Mail Date _____.
4) ☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____ .
5) ☐ Notice of Informal Patent Application
6) ☐ Other: _____.

DETAILED ACTION

Continued Examination Under 37 CFR 1.114

A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on 3/31/2010 has been entered.

Double Patenting

Claims **1,2,8,26,27,29,34,35,41,59,60 and 66** of this application conflict with claims **1,2,9,10,17,18,25,26** of Application No. 10/749,625. 37 CFR 1.78(b) provides that when two or more applications filed by the same applicant contain conflicting claims, elimination of such claims from all but one application may be required in the absence of good and sufficient reason for their retention during pendency in more than one application. Applicant is required to either cancel the conflicting claims from all but one application or maintain a clear line of demarcation between the applications. See MPEP § 822.

The nonstatutory double patenting rejection is based on a judicially created doctrine grounded in public policy (a policy reflected in the statute) so as to prevent the unjustified or improper timewise extension of the "right to exclude" granted by a patent and to prevent possible harassment by multiple assignees. A nonstatutory obviousness-type double patenting rejection is appropriate where the conflicting claims are not identical, but at least one examined application claim is not patentably distinct from the reference claim(s) because the examined application claim is either anticipated by, or would have been obvious over, the reference claim(s). See, e.g., *In re Berg*, 140 F.3d 1428, 46 USPQ2d 1226 (Fed. Cir. 1998); *In re Goodman*, 11 F.3d 1046, 29 USPQ2d 2010 (Fed. Cir. 1993); *In re Longi*, 759 F.2d 887, 225 USPQ 645 (Fed. Cir.

1985); *In re Van Ornum*, 686 F.2d 937, 214 USPQ 761 (CCPA 1982); *In re Vogel*, 422 F.2d 438, 164 USPQ 619 (CCPA 1970); and *In re Thorington*, 418 F.2d 528, 163 USPQ 644 (CCPA 1969).

A timely filed terminal disclaimer in compliance with 37 CFR 1.321(c) or 1.321(d) may be used to overcome an actual or provisional rejection based on a nonstatutory double patenting ground provided the conflicting application or patent either is shown to be commonly owned with this application, or claims an invention made as a result of activities undertaken within the scope of a joint research agreement.

Effective January 1, 1994, a registered attorney or agent of record may sign a terminal disclaimer. A terminal disclaimer signed by the assignee must fully comply with 37 CFR 3.73(b).

Claims **1,2,8,26,27,29,34,35,41,59,60 and 66** are rejected on the ground of nonstatutory obviousness-type double patenting as being unpatentable over claims **1,2,9,10,17,18,25,26** of U.S. application No. 10/749,625. Although the conflicting claims are not identical, they are not patentably distinct from each other because similar recitations such as a reserve price of a proxy bid price being disseminated after a high proxy bid is identified.

Claim Rejections - 35 USC § 101

35 U.S.C. 101 reads as follows:

> Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1,2,8,26,27,29,34,35,41,59,60 and 66 are rejected under 35 USC § 101

Claims 1,2,8 are directed to a system however the involvement of the machine is merely nominal, insignificant, or tangentially related to the performance of the steps i.e. the execution is from the memory by the processor and does not necessarily involve the processor in the determining step. the publishing step does not involve a Machine and is considered to be a step performed by a human and does not rise to the level of patentability under USC 101.

Claims 59,60 and 66 are directed to methods. One tool for assisting in determining whether the claimed invention is directed to a statutory process under 35 USC 101 is the "machine-or-transformation" test. If a claimed method meets the "machine-or-transformation" test, the method is likely patent-eligible under 35 USC 101 unless there is a clear indication that the method is directed to an abstract idea. If a claimed method does not meet the "machine-or-transformation" test, the claim will be considered directed to a non-statutory process unless there is a clear indication that the method is not directed to an abstract idea.

An analysis of method claims using the "machine-or-transformation" test seeks to determine whether the claimed method is (1) tied to a particular machine or apparatus, or (2) transforms a particular article to a different state or thing. In addition, mere field of use limitations or limitations reciting insignificant extra-solution activity will not transform an unpatentable process into a patentable one as the machine or transformation must impose meaningful limits on the method claim's scope.

In the instant case, claims 59,60 and 66 lack any recitation of a machine, let alone a recitation which creates a substantial tie so as to impose meaningful limitations on the claim scope. The steps of maintaining, presenting, fulfilling, making available for presentation, accommodating fulfillment, accessing, selecting and submitting are not tied to any machine nor do they transform an underlying article to a different state or thing. Accordingly, these claims fail to pass the "machine-or-transformation" test. Further to the analysis as to whether the claims recite a statutory process under 35

USC 101, there is nothing of record which clearly indicates that the method recited is not directed to an abstract idea. Accordingly, these claims fail to set forth a statutory process under 35 USC 101.

Here, applicant's method steps fail the first prong of the new Federal Circuit decision since they are not tied to a machine and can be performed without the use of a particular machine. Thus, claims 25-32 are non-statutory since they may be performed within the human mind.

The mere recitation of the machine in the preamble with an absence of a machine in the body of the claim fails to make the claim statutory under 35 USC 101. Note the Board of Patent Appeals Informative Opinion Ex parte Langemyeret al-

http://iplaw.bna.com/iplw/5000/split_display.adp?fedfid=10988734&vname=ippqcases2&wsn=500826000&searchid=6198805&doctypeid=1&type=court&mode=doc&split=0&scm=5000&pg=0

Claims 26,27,34,35 and 41 are rejected because they try to claim a signal (see para 0127 of applicant's specification where the medium may be a signal). A signal as used in the claim is not patentable subject matter, see In Re Nuitjen, Docket no. 2006-1371 (Fed. Cir. Sept. 20, 2007) and MPEP 2106.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

Claims 1,2,8,26,27,29,34,35,41,59,60 and 66 rejected under 35 U.S.C. 103(a) as being unpatentable over Nishi (US PG PUB 2002/0161691) in view of Holden (US PG PUB 20010032175).

In regards to claim 1, Nishi discloses a computer-implemented system comprising: a processor coupled to a memory through a bus (See FIG 1, para –1-0029 and 0068-0071); and

Nishi teaches an auction price-setting process executed from the memory by the processor to determine that a high bid submitted by a buyer for an item is less than a reserve price set by a seller for the item (Nishi, para 0088), but does not specifically mention that the high bid was the result of a Proxy bid. Holden in the same field of endeavor teaches the auto bids (synonymous with (proxy bids" as defined by applicant's specification). It would have been obvious to a person having ordinary skill in the art a the time of the invention to include in Nishi, the use of a proxy bid, because this will allow the user to execute bids when they are busy with other pressing maters and allows the user to remain engaged and not miss out on a good buy.

In regards to the publishing step the recited "conditional limitations do not move to distinguish the claimed invention from the cited art. These phrases are conditional limitations with the noted step not necessarily performed (e.g. publishing when the bid is higher that the reserve price). Accordingly, once the positively recited steps are

satisfied, the method as a whole is satisfied -- regardless of whether or not other steps are conditionally invocable under certain other hypothetical scenarios. [See: In re Johnston, 77 USPQ2d 1788 (CA FC 2006); Intel Corp. v. Int'l Trade Comm'n, 20 USPQ2d 1161 (Fed. Cir. 1991); MPEP §2106 II C]. However in the interest of compact prosecution the publishing step is addressed here should the applicant amendment to make this step always actionable. Further, since the following is merely a step performed by a human it is given little patentable weight when considering the claim as a whole since it is an insignificant step.

The combination of Nishi and Holden discloses a system according to claim 1 as indicated supra. Nishi in view of Holden teach the ubiquitous use of the system to notify the user at multiple trigger events ("Throughput the auction, a variety of auction events will trigger additional automatic e-mail messages to the users authorized for that auction", Holden para 0082), however, applicant may arguer that the combination of Nishi and Holden does not expressly disclose that the information provided is that of a high proxy bid. However, these differences are only found in the non-functional data provided. Data identifying a particular event is not functionally related to the substrate of the invention. Thus, this descriptive material will not distinguish the claimed invention from the prior art in terms of patentability, see Cf. In re Gulack, 703 F.2d 1381, 1385, 217 USPQ 401, 404 (Fed. Cir. 1983); In re Lowry, 32 F.3d 1579, 32 USPQ2d 1031 (Fed. Cir. 1994).

Therefore, it would have been obvious to a person of ordinary skill in the art at the time the invention was made to publish any data in the events as determined by the

event, because such information does not functionally relate to the substrate of the invention and merely labeling the information differently from that in the prior art would have been an obvious matter of design choice. See In re Kuhle, 526 F.2d 553, 555, 188 USPQ 7, 9 (CCPA 1975).

publish, based on the determining, to the seller a proxy bid information,

the proxy bid information including the high proxy bid (, and

the proxy bid information being associated with a listing for the item during an auction price-setting process (Nishi, para 0088, highest price entered corresponds to the combination of Nishi and Holden where the highest price not exceeding the reserve price is the high auto/proxy price).

2. (Previously Presented) The computer-implemented system of claim 1, wherein the auction price-setting process further causes the processor to automatically retract publication of the proxy bid information upon the high proxy bid exceeding the reserve price (Nishi, FIG 9, item S104, see FIG 7B of applicant's disclosure for clarification on how FIG 9 of Nishi meets the intent of applicant's disclosure).

Claims **8,26,27,29,34,35,41,59,60 and 66** are considered parallel claims to claims 1 and 2 above and are rejected for the same rationale.

Response to Arguments

Applicant's arguments filed 2/26/2010 have been fully considered but they are not persuasive.

In response to applicant's argument that the references fail to show certain features of applicant's invention, it is noted that the features upon which applicant relies (i.e., proxy bid information including the reserve price) are not recited in the rejected claim(s). Although the claims are interpreted in light of the specification, limitations from the specification are not read into the claims. See *In re Van Geuns*, 988 F.2d 1181, 26 USPQ2d 1057 (Fed. Cir. 1993). Applicant removed this feature in the currently amended claims.

In regards to applicant's other remarks, see modified rejection above that was necessitated by applicant's amendment.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to **Mark Fadok** whose telephone number is **571.272.6755**. The examiner can normally be reached Monday thru Friday 8:00 AM to 5:00 PM**.**

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, **Jeffrey Smith** can be reached on **571.272.6763**.

Any response to this action should be mailed to:

Commissioner for Patents

P.O. Box 1450

Alexandria, Va. 22313-1450

or faxed to:

571-273-8300 [Official communications; including

After Final communications labeled

"Box AF"]

For general questions the receptionist can be reached at

571.272.3600

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

/Mark Fadok/
Mark Fadok
Primary Examiner, Art Unit 3625